

DAVID B. STURLESE

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(337) 232-1700

September 13, 2007

COMMISSIONER OF CONSERVATION

HONORABLE JAMES H. WELCH

P. O. BOX 94275

BATON ROUGE LA 70804

**RE: LOWER BEARHEAD CREEK SAND
RESERVOIR B
FOLEY FIELD
ALLEN PARISH, LA**

Dear Commissioner Welch,

Application is hereby made on behalf of Union Gas Operating Company, L.L.C. to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the Lower Bearhead Creek Sand, Reservoir B, in the Foley Field, Allen Parish, Louisiana.

1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Lower Bearhead Creek Sand , Reservoir B, in the Foley Field, Allen Parish, Louisiana, said unit to be designated LBH C RB SUA, as shown on the plat attached hereto and made a part hereof.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate a unit operator and a unit well for the unit so created.
4. To provide that any wells drilled to the Lower Bearhead Creek Sand, Reservoir B shall be located in accordance with the spacing provisions of Statewide Order No. 29-E.

5. To provide that the Commissioner may reclassify the reservoirs by Supplemental Orders without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished by the Commissioner.
6. To discuss any other matters that may be pertinent to this application.

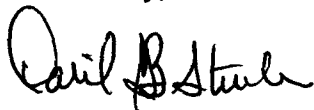
The Lower Bearhead Creek SD, in the Foley Field, is hereby defined as per order 1279 in the Foley Field as that gas and condensate bearing sand encountered between the depths of 8874' and 8904' (electrical log measurements) in the Woolf & Magee, Inc. – Myrtle Sonnier No. 1 Well, located in Section 31, Township 4 South, Range 3 West, and further defined as that interval from 9022 to 9072 in the Union Operating Meaux No. 1 Well located in Section 12, Township 5 South, Range 4 West.

In compliance with the Rules of Procedure, a pre-application conference was held in Lafayette on September 13, 2007. There was no opposition at the pre-hearing conference and no opposition is expected at the hearing.

All pertinent data relating to the subject application can be obtained **AT THE COST OF THE REQUESTING PARTY**, from David Sturlese, P. O. Box 51405, Lafayette, LA 70505, (337) 232-1700.

There are attached hereto and made a part hereof, plats outlining the proposed unit. Pursuant to the Revised Rules of Procedure, a list of the names and addresses of the Interested Owners, Interested Parties and Represented Parties to whom this application is being sent is being furnished **ONLY** to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy. A diligent effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties as required by the Revised Rules of Procedure. Also enclosed is our check made payable to the Office of Conservation, representing the required hearing application fee.

Sincerely,

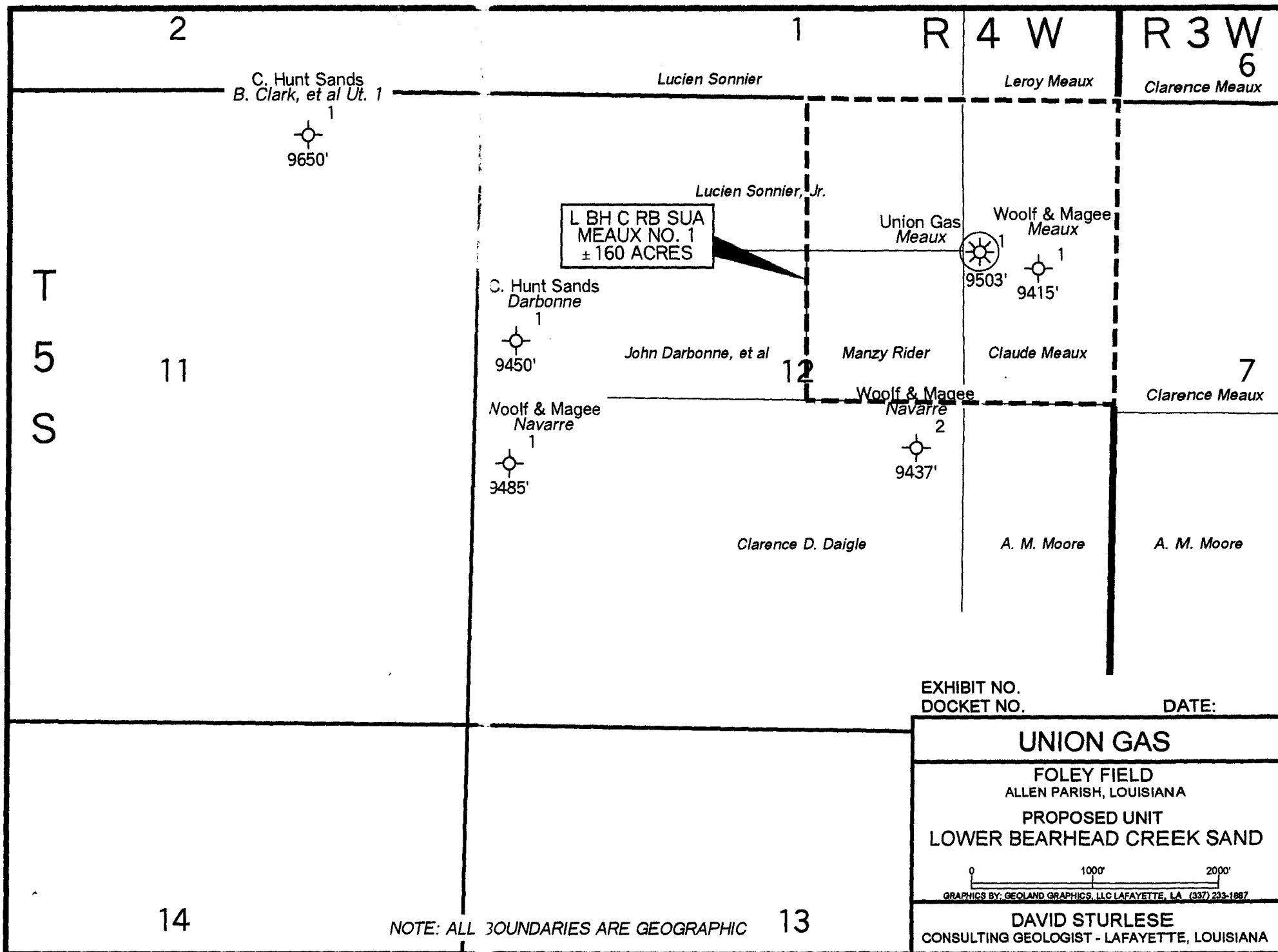


DAVID B. STURLESE

enclosures

ss

cc: Mr. Richard Hudson, Department of Conservation
825 Kaliste Saloom Rd., Brandiwine III Suite 220, Lafayette, LA 70508
Interested Parties, Interested Owners and Represented Parties



NOTE: ALL BOUNDARIES ARE GEOGRAPHIC

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